

Message Text

UNCLASSIFIED

PAGE 01 PEKING 01043 240615Z
ACTION SCS-05

INFO OCT-01 EA-09 ISO-00 EB-07 TRSE-00 SCA-01 L-03
/026 W

-----240617Z 016990 /12

R 240246Z MAY 77
FM USLO PEKING
TO SECSTATE WASHDC 7855

UNCLAS PEKING 1043

PASS EA/PRCM

E.O. 11652: N/A
TAGS: CFED, EFIN, APER

SUBJ: CHANGES IN US TAX LAW AFFECTING US CITIZENS WORKING
OVERSEAS:

REF: STATE 115543

1. USLO OFFICER WHOSE WIFE WORKED PRIVATELY ABROAD IN 1976
REQUIRES CLARIFICATION ON CONTENTS OF REFTEL IN ORDER TO COM-
PUTE HIS 1976 TAX. NO ONE AT POST IS QUALIFIED TO PROVIDE
ANSWER.

2. IN ADDITION TO THE CHANGES CITED REFTEL, THE TAX REFORM
ACT OF 1976
MADE A CHANGE IN THE COMPUTATION RULES FOR THOSE
TAKING ADVANTAGE OF THE FOREIGN EARNED INCOME EXCLUSION.
UNDER THE NEW LAW, AS EXPLAINED IN PUBLICATION 54 (TAX GUIDE
FOR U.S. CITIZENS ABROAD), "ALL INCOME YOU RECEIVE IN EXCESS
OF YOUR EARNED INCOME EXEMPTION IS TAXED AT THE HIGHER TAX
RATE THAN WOULD HAVE APPLIED HAD YOU NOT CLAIMED THE EXEMPTION".

3. OFFICER'S QUESTION: HAS THIS PROVISION ALSO BEEN CANCELLED
RETROACTIVELY BY 1977 LAW?
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4. WOULD APPRECIATE EA/PRCM CONTACTING "DEPARTMENT
CO CERNED" AND TRANSMITTING ITS RESPONSE TO USLO
BEFORE JUNE 15 FILING DEADLINE.
DEAN

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TAX LAW, BUSINESSMEN
Control Number: n/a
Copy: SINGLE
Sent Date: 24-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977PEKING01043
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770184-0627
Format: TEL
From: PEKING
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770523/aaaaaucr.tel
Line Count: 60
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: a0b5568b-c288-dd11-92da-001cc4696bcc
Office: ACTION SCS
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 77 STATE 115543
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 21-Oct-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2390830
Secure: OPEN
Status: NATIVE
Subject: CHANGES IN US TAX LAW AFFECTING US CITIZENS WORKING OVERSEAS
TAGS: CFED, EFIN, APER
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/a0b5568b-c288-dd11-92da-001cc4696bcc
Review Markings:
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